



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jeff Ward, Treasurer
Kootenai County Reagan Republicans
P.O. Box 1274
Post Falls, ID 83877

DEC 21 2012.

RE: MUR 6557

Dear Mr. Ward:

On April 24, 2012, the Federal Election Commission notified you of complaints alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. On December 18, 2012, the Commission found, on the basis of the information in the complaints, that there is no reason to believe you violated 2 U.S.C. §§ 433 and 434. Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). The Factual and Legal Analysis, which explains the Commission's finding, is enclosed for your information.

If you have any questions, please contact Kasey Morgenheim, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "KMG".

Kathleen M. Guith
Deputy Associate General Counsel

Enclosure
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Jeff Ward

MUR 6557

I. INTRODUCTION

This matter was generated by Complaints filed with the Federal Election Commission by John Erickson, Scott Grunsted, and Thomas P. Hanley, alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by Jeff Ward. According to the three Complaints, which are nearly identical, the Kootenai County Reagan Republicans ("KCRR"), Jeff Ward (KCRR's treasurer), the Strategy Group, Inc., and four candidates for local office in Kootenai County, Idaho — Keith Hutcheson, Barry McHugh, Todd Tondee, and Dan Green — disseminated a mailer to voters in Kootenai County that endorsed federal and state candidates. The Complaints allege that the Respondents violated the Act because they spent over \$1,000 for a federal candidate without "filing with" the Commission.

Upon review of the Complaints, Responses, and other available information, it does not appear that Jeff Ward was required to register and report with the Commission as a political committee. Accordingly, the Commission finds no reason to believe that Jeff Ward violated 2 U.S.C. §§ 433 and 434 by failing to register and report with the Commission as a political committee.

II. FACTUAL AND LEGAL ANALYSIS

A. Factual Summary

According to KCCR's website, it is located in Post Falls, Idaho. See www.reaganrepublicans.net. Jeff Ward is KCRR's treasurer. See <http://www.reaganrepublicans.net/KCRRBoard.html>. RRVF is an Idaho state political

1 committee that is also located in Post Falls, Idaho. Its disclosure reports filed with the Idaho
2 Secretary of State list Jeff Ward as RRVF's treasurer. *See*
3 [http://www.sos.idaho.gov/elect/Finance/2012/PrePrimary/Party/ReaganRepublicansVictoryFund.](http://www.sos.idaho.gov/elect/Finance/2012/PrePrimary/Party/ReaganRepublicansVictoryFund.pdf)
4 [pdf](http://www.sos.idaho.gov/elect/Finance/2012/PrePrimary/Party/ReaganRepublicansVictoryFund.pdf).

5 The Complaints allege that KCRR and the individual Respondents "working together . . .
6 spent over \$1,000 for a federal candidate without filing with the FEC" when they sent a mailer to
7 voters in Kootenai County that endorsed state candidates and a federal candidate. Compl. at 1.
8 The Complaints attach the mailer at issue, which states that "[the] Kootenai County Regan
9 Republicans wholeheartedly endorse the following conservative common-sense candidates in the
10 May 15 [2012] Republican Primary." Compl., Ex. 1. The mailer lists 14 candidates for federal,
11 state, and local offices, and for each candidate includes the office sought, a photograph, and a
12 short statement about the candidate. The mailer includes one candidate for federal office,
13 Congressman Raul Labrador, the incumbent candidate for the U.S. House of Representatives
14 from Idaho's First Congressional District. *Id.*

15 KCRR submitted a Response — signed and sworn to by both Ron Lahr, as KCRR's
16 president, and Jeff Ward, as KCRR's treasurer. It asserts that Jeff Ward contacted the
17 Commission's Information Division to confirm that the federal share of the expenditure for the
18 mailer would be the single federal candidate's pro rata share of the total cost.

19 **B. Legal Analysis**

20 The Complaints generally allege that Jeff Ward spent over \$1,000 for a federal candidate
21 without "filing with" the Commission. Compl. at 1. Under the Act, groups that are political
22 committees are required to register with the Commission and publicly report all of their receipts
23 and disbursements. 2 U.S.C. §§ 433, 434. The Act defines a "political committee" as any

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1 committee, association, or other group of persons that receives "contributions" or makes
2 "expenditures" for the purpose of influencing a Federal election which aggregate in excess of
3 \$1,000 during a calendar year. 2 U.S.C. § 431(4)(A). The term "contribution" is defined to
4 include "any gift, subscription, loan, advance, or deposit of money or anything of value made by
5 any person for the purpose of influencing any election for Federal office." 2 U.S.C.
6 § 431(8)(A)(i). The term "expenditure" is defined to include "any purchase, payment,
7 distribution, loan, advance, deposit, or gift of money or anything of value, made by any person
8 for the purpose of influencing any election for Federal office." 2 U.S.C. § 431(9)(A)(i). An
9 organization will not be considered a "political committee" unless its "major purpose is Federal
10 campaign activity (*i.e.*, the nomination or election of a Federal candidate)." Political Committee
11 Status, 72 Fed. Reg. 5595, 5597 (Feb. 7, 2007) (Supplemental Explanation and Justification).
12 *See Buckley v. Valeo*, 424 U.S. 1, 79 (1976); *FEC v. Massachusetts Citizens for Life, Inc.*
13 (*"MCFL"*), 479 U.S. 238, 262 (1986).

14 There is no evidence that Jeff Ward had liability under sections 433 and 434 of the Act.
15 Accordingly, the Commission finds no reason to believe that Jeff Ward violated 2 U.S.C. §§ 433
16 and 434.

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